HOUSING MARKET INFORMATION

HOUSING NOW
Charlottetown CA

CANADA MORTGAGE AND HOUSING CORPORATION

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Residential Construction Increased in 2011

The Prince Edward Island economy continued to perform relatively well throughout 2011. Strong in-migration to the province, especially to the capital region, has provided a boost to many aspects of the economy. The housing sector in particular, has been a key beneficiary of this population growth. In addition, total employment in 2011 surpassed the previous record high set in 2010 by more than two per cent. However, due to the strength of in-migration the labour force growth outpaced the increase in employment, with the net result being an overall increase in the unemployment rate.

New home construction started the year strong in the Charlottetown area, exceeding the 2010 levels in three out of four quarters this year.

Figure 1

Source: CMHC

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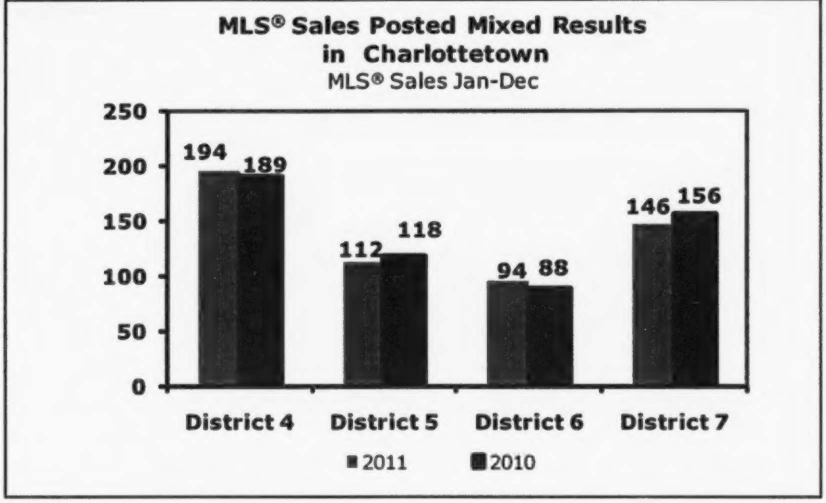
This significant increase in new home construction was due entirely to a surge in rental apartment starts. In contrast to the strong level of multiple starts, single-detached construction declined in 2011, with almost 20 per cent fewer units started than a year earlier. Single starts fell to 201 units in 2011 compared to 250 units last year. Multiple starts reached 333 units, one of the highest levels on record, and well above the ten-year average of 208 units. For only the second year on record, with 2009 being the first, apartment starts outpaced single starts in the capital region. Although the increased level of in-migration accounts for some of the demand for new multiple units, the favorable borrowing environment was also an important factor. There is also the continuing trend of local developers building new apartment style projects with the sole intention of selling the completed project to off island investors once the project units are absorbed.

Fourth quarter total starts in the Charlottetown area improved slightly in 2011 when compared to the same period a year earlier. In the fourth quarter, single starts in the Charlottetown area posted the largest increase with 64 units up from 48 units during the same period in 2010. Apartment starts fell slightly behind the 2010 level, as 73 units were started in 2011 compared to 79 units in 2010. Semi-detached construction was at 18 units compared to 12 units, and row units recorded no units compared to 10 in the last quarter of 2010. In total, the fourth quarter of 2011 recorded 155 starts in the Charlottetown area, up four percent from 149 units the previous year.

The Town of Stratford submarket recorded the most new units in the fourth quarter. Apartment construction in the submarket almost doubled to 47 units from 26 units the year before, while row housing reported zero units from 10 units during the same time period. Single detached starts declined in this submarket to 16 units from 18 units the year before, while semi-detached recorded four units compared to two units in 2010. In total there were 67 new units started in the Town of Stratford compared to 56 in the last quarter of 2010.

Figure 2



Source: CMHC

The three other submarkets that make up the Charlottetown CA posted mixed results in the final quarter of 2011 compared to 2010. The City of Charlottetown posted 21 new single starts, up from ten during the same period in 2010. Single starts in Cornwall rose to eight units compared to five units in 2010, while the remainder of the CA reported 19 new single-detached starts compared to 15 units in 2010. Outside of Town of Stratford, the City of Charlottetown and the remainder of the CA, both recorded new rental unit construction in the fourth quarter. During this period there were 36 units started in the City of Charlottetown down from 59 units in 2010, while the remainder of the CA recorded four units in both 2010 and 2011.

New Home Price Rose in 2011

New home prices in the Charlottetown area rose in 2011, after declining in 2010. The trend toward larger more expensive homes continued in 2011 with the average new home price rising by 1.8 per cent to $239,840. The City of Charlottetown saw the largest change in 2011 with a 16 per cent increase to $255,422. The Town of Stratford reported a 4.1 per cent increase, to $273,294. With this rise the Town of Stratford remained the most expensive submarket for new homes in 2011 by a significant margin.

During the fourth quarter, the submarkets in the Charlottetown CA posted mixed results in the average new home price. The Town of Cornwall had the only decline during the final three months of 2011, with a decrease of 13.9 per cent to $188,238. Stratford had the largest

increase, at 19.4 per cent, resulting in an average price of $298,750. The City of Charlottetown also posted an impressive increase of 12.9 per cent, resulting in an average price of $259,875 in the fourth quarter. The average new home price for the Charlottetown CA during the final quarter of 2011 was $245,375, an increase of 3.9 per cent.

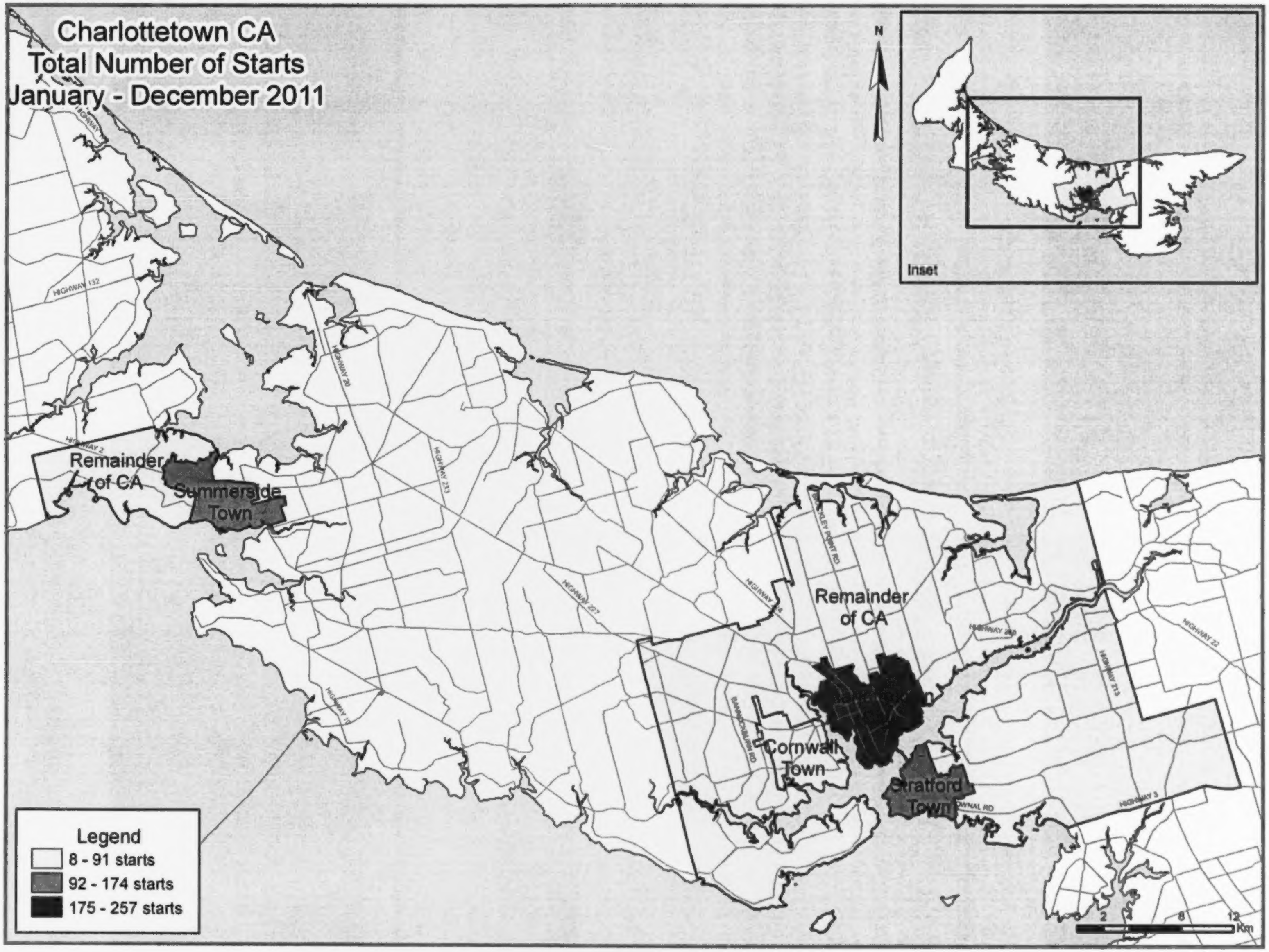
Average MLS® Sales and Prices Decrease in the Fourth Quarter

Overall, the resale market for the Charlottetown area during the fourth quarter of 2011 posted declines from the 2010 levels. Total MLS® sales were down to 122 units compared to 165 units in the same period of 2010. The resale market peaked in 2007 as far as the number of sales is concerned, but the market has remained relatively stable near the ten-year average.

Fourth quarter sales in the Charlottetown area did not reach the level recorded in 2010. The largest percentage decrease in sales was reported in District 7 (Stratford) where sales fell by almost 35 per cent. District 5 posted a similar decrease in MLS® sales of 31.4 per cent in the last quarter of 2011. MLS® sales during the final quarter of 2011 were also down by 15 and 25 per cent in Districts 4 and 6, respectively. On an annual basis, MLS® sales were down a modest 0.9 per cent for the Charlottetown area as two of the four submarkets experienced increases for the year.

The average MLS® sale price declined in the fourth quarter, with two of the four submarkets recording an increase from the levels set in 2010. Overall, the average sale price in the Charlottetown area decreased by approximately 1.2 per cent to $196,301. The average MLS® sale price for District 7 (Stratford) declined by almost 20 per cent to $191,193. With this decrease, and an increase in District 6, Stratford failed to remain the most expensive submarket within the Charlottetown area in the fourth quarter.

For the year, average prices rose approximately 4.6 per cent over 2010 in the Charlottetown area. On an annual basis, Stratford remained the highest priced market with an average sale price of $235,992 in 2011.


Charlottetown CA
Total Number of Starts
January - December 2011
N
Inset
Remainder of CA
Summerside Town
Remainder of CA
Cornwall Town
Stratford Town
Legend
8 - 91 starts
92 - 174 starts
175 - 257 starts
Km

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4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1a: Housing Activity Summary of Charlottetown CA Fourth Quarter 2011									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q4 2011	64	18	2	0	0	0	0	71	155
Q4 2010	48	12	10	0	0	0	0	79	149
% Change	33.3	50.0	-80.0	n/a	n/a	n/a	n/a	-10.1	4.0
Year-to-date 2011	201	44	20	0	0	0	8	261	534
Year-to-date 2010	250	42	35	0	0	0	0	191	518
% Change	-19.6	4.8	-42.9	n/a	n/a	n/a	n/a	36.6	3.1
UNDER CONSTRUCTION									
Q4 2011	82	24	17	0	0	0	2	218	343
Q4 2010	64	16	10	0	15	0	0	139	244
% Change	28.1	50.0	70.0	n/a	-100.0	n/a	n/a	56.8	40.6
COMPLETIONS									
Q4 2011	56	10	0	0	0	0	0	0	66
Q4 2010	110	26	12	0	10	0	0	92	250
% Change	-49.1	-61.5	-100.0	n/a	-100.0	n/a	n/a	-100.0	-73.6
Year-to-date 2011	183	34	13	0	15	0	8	182	435
Year-to-date 2010	278	42	36	0	23	46	5	255	685
% Change	-34.2	-19.0	-63.9	n/a	-34.8	-100.0	60.0	-28.6	-36.5
COMPLETED & NOT ABSORBED									
Q4 2011	4	8	2	0	0	8	0	2	24
Q4 2010	25	9	6	0	0	48	0	49	137
% Change	-84.0	-11.1	-66.7	n/a	n/a	-83.3	n/a	-95.9	-82.5
ABSORBED									
Q4 2011	64	14	0	0	0	0	0	67	145
Q4 2010	85	18	18	0	10	6	0	77	214
% Change	-24.7	-22.2	-100.0	n/a	-100.0	-100.0	n/a	-13.0	-32.2
Year-to-date 2011	201	33	13	0	15	40	10	175	487
Year-to-date 2010	255	33	30	0	23	15	1	178	535
% Change	-21.2	0.0	-56.7	n/a	-34.8	166.7	**	-1.7	-9.0

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1b: Housing Activity Summary of Summerside CA Fourth Quarter 2011									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q4 2011	4	0	6	0	0	0	0	24	34
Q4 2010	1	2	0	0	0	0	0	10	13
% Change	**	-100.0	n/a	n/a	n/a	n/a	n/a	140.0	161.5
Year-to-date 2011	34	12	14	0	0	0	1	74	135
Year-to-date 2010	22	16	15	0	0	0	1	20	74
% Change	54.5	-25.0	-6.7	n/a	n/a	n/a	0.0	**	82.4
UNDER CONSTRUCTION									
Q4 2011	4	0	6	0	0	0	0	24	34
Q4 2010	2	2	0	0	0	0	0	14	18
% Change	100.0	-100.0	n/a	n/a	n/a	n/a	n/a	71.4	88.9
COMPLETIONS									
Q4 2011	7	6	0	0	0	0	0	44	57
Q4 2010	5	14	0	0	0	0	12	6	37
% Change	40.0	-57.1	n/a	n/a	n/a	n/a	-100.0	**	54.1
Year-to-date 2011	30	14	8	0	0	0	3	64	119
Year-to-date 2010	27	14	4	0	0	0	12	6	63
% Change	11.1	0.0	100.0	n/a	n/a	n/a	-75.0	**	88.9
COMPLETED & NOT ABSORBED									
Q4 2011	0	0	0	0	0	0	0	0	0
Q4 2010	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q4 2011	0	0	0	0	0	0	0	0	0
Q4 2010	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2011	0	0	0	0	0	0	0	0	0
Year-to-date 2010	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket Fourth Quarter 2011									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Charlottetown City									
Q4 2011	21	10	2	0	0	0	0	24	57
Q4 2010	10	10	0	0	0	0	0	49	69
Stratford Town									
Q4 2011	16	4	0	0	0	0	0	47	67
Q4 2010	18	2	10	0	0	0	0	26	56
Cornwall Town									
Q4 2011	8	0	0	0	0	0	0	0	8
Q4 2010	5	0	0	0	0	0	0	0	5
Remainder of the CA									
Q4 2011	19	4	0	0	0	0	0	0	23
Q4 2010	15	0	0	0	0	0	0	4	19
Charlottetown CA									
Q4 2011	64	18	2	0	0	0	0	71	155
Q4 2010	48	12	10	0	0	0	0	79	149
UNDER CONSTRUCTION									
Charlottetown City									
Q4 2011	22	8	7	0	0	0	2	129	168
Q4 2010	15	14	0	0	0	0	0	93	122
Stratford Town									
Q4 2011	27	8	6	0	0	0	0	89	130
Q4 2010	23	2	10	0	15	0	0	38	88
Cornwall Town									
Q4 2011	11	4	4	0	0	0	0	0	19
Q4 2010	7	0	0	0	0	0	0	0	7
Remainder of the CA									
Q4 2011	22	4	0	0	0	0	0	0	26
Q4 2010	19	0	0	0	0	0	0	8	27
Charlottetown CA									
Q4 2011	82	24	17	0	0	0	2	218	343
Q4 2010	64	16	10	0	15	0	0	139	244

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket Fourth Quarter 2011									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Charlottetown City									
Q4 2011	23	8	0	0	0	0	0	0	31
Q4 2010	34	14	0	0	0	0	0	92	140
Stratford Town									
Q4 2011	8	2	0	0	0	0	0	0	10
Q4 2010	30	10	12	0	10	0	0	0	62
Cornwall Town									
Q4 2011	5	0	0	0	0	0	0	0	5
Q4 2010	20	2	0	0	0	0	0	0	22
Remainder of the CA									
Q4 2011	20	0	0	0	0	0	0	0	20
Q4 2010	26	0	0	0	0	0	0	0	26
Charlottetown CA									
Q4 2011	56	10	0	0	0	0	0	0	66
Q4 2010	110	26	12	0	10	0	0	92	250
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q4 2011	3	8	0	0	0	8	0	2	21
Q4 2010	5	6	4	0	0	48	0	49	112
Stratford Town									
Q4 2011	0	0	2	0	0	0	0	0	2
Q4 2010	9	3	2	0	0	0	0	0	14
Cornwall Town									
Q4 2011	1	0	0	0	0	0	0	0	1
Q4 2010	8	0	0	0	0	0	0	0	8
Remainder of the CA									
Q4 2011	0	0	0	0	0	0	0	0	0
Q4 2010	3	0	0	0	0	0	0	0	3
Charlottetown CA									
Q4 2011	4	8	2	0	0	8	0	2	24
Q4 2010	25	9	6	0	0	48	0	49	137

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket Fourth Quarter 2011									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Charlottetown City									
Q4 2011	24	12	0	0	0	0	0	49	85
Q4 2010	29	8	8	0	0	6	0	77	128
Stratford Town									
Q4 2011	12	2	0	0	0	0	0	18	32
Q4 2010	21	8	10	0	10	0	0	0	49
Cornwall Town									
Q4 2011	7	0	0	0	0	0	0	0	7
Q4 2010	12	2	0	0	0	0	0	0	14
Remainder of the CA									
Q4 2011	21	0	0	0	0	0	0	0	21
Q4 2010	23	0	0	0	0	0	0	0	23
Charlottetown CA									
Q4 2011	64	14	0	0	0	0	0	67	145
Q4 2010	85	18	18	0	10	6	0	77	214

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.2: History of Housing Starts of Charlottetown CA 2002 - 2011									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2011	201	44	20	0	0	0	8	261	534
% Change	-19.6	4.8	-42.9	n/a	n/a	n/a	n/a	36.6	3.1
2010	250	42	35	0	0	0	0	191	518
% Change	-6.7	-8.7	0.0	n/a	-100.0	-100.0	-100.0	-21.4	-22.6
2009	268	46	35	0	19	46	12	243	669
% Change	-4.3	15.0	59.1	n/a	n/a	**	-40.0	**	57.0
2008	280	40	22	0	0	13	20	51	426
% Change	-5.1	-37.5	n/a	n/a	n/a	8.3	n/a	121.7	8.1
2007	295	64	0	0	0	12	0	23	394
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
2006	276	44	0	0	0	24	4	119	467
% Change	-8.3	-50.6	-100.0	n/a	-100.0	n/a	-75.0	**	4.2
2005	301	89	6	0	3	0	16	33	448
% Change	-9.1	64.8	-71.4	n/a	n/a	n/a	-65.2	-13.2	-8.6
2004	331	54	21	0	0	0	46	38	490
% Change	6.8	-3.6	**	n/a	n/a	n/a	35.3	-50.6	1.4
2003	310	56	6	0	0	0	34	77	483
% Change	11.9	115.4	n/a	n/a	n/a	n/a	-59.0	4.1	4.8
2002	277	26	0	0	0	0	83	74	461

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type Fourth Quarter 2011											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q4 2011	Q4 2010	Q4 2011	Q4 2010	Q4 2011	Q4 2010	Q4 2011	Q4 2010	Q4 2011	Q4 2010	% Change
Charlottetown City	21	10	10	10	0	0	26	49	57	69	-17.4
Stratford Town	16	18	4	2	0	10	47	26	67	56	19.6
Cornwall Town	8	5	0	0	0	0	0	0	8	5	60.0
Remainder of the CA	19	15	4	0	0	0	0	4	23	19	21.1
Charlottetown CA	64	48	18	12	0	10	73	79	155	149	4.0

Table 2.1: Starts by Submarket and by Dwelling Type January - December 2011											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2011	YTD 2010	YTD 2011	YTD 2010	YTD 2011	YTD 2010	YTD 2011	YTD 2010	YTD 2011	YTD 2010	% Change
Charlottetown City	67	80	26	24	8	0	156	133	257	237	8.4
Stratford Town	49	71	10	16	6	35	107	50	172	172	0.0
Cornwall Town	24	39	4	2	4	0	0	0	32	41	-22.0
Remainder of the CA	61	60	4	0	8	0	0	8	73	68	7.4
Charlottetown CA	201	250	44	42	26	35	263	191	534	518	3.1

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type
Fourth Quarter 2011

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q4 2011	Q4 2010	Q4 2011	Q4 2010	Q4 2011	Q4 2010	Q4 2011	Q4 2010	Q4 2011	Q4 2010	% Change
Charlottetown City	23	34	8	14	0	0	0	92	31	140	-77.9
Stratford Town	8	30	2	10	0	22	0	0	10	62	-83.9
Cornwall Town	5	20	0	2	0	0	0	0	5	22	-77.3
Remainder of the CA	20	26	0	0	0	0	0	0	20	26	-23.1
Charlottetown CA	56	110	10	26	0	22	0	92	66	250	-73.6

Table 3.1: Completions by Submarket and by Dwelling Type
January - December 2011

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2011	YTD 2010	YTD 2011	YTD 2010	YTD 2011	YTD 2010	YTD 2011	YTD 2010	YTD 2011	YTD 2010	% Change
Charlottetown City	60	87	30	20	3	4	118	281	211	392	-46.2
Stratford Town	45	68	4	16	25	41	56	26	130	151	-13.9
Cornwall Town	20	48	0	4	0	0	0	12	20	64	-68.8
Remainder of the CA	58	76	0	2	8	0	8	0	74	78	-5.1
Charlottetown CA	183	279	34	42	36	45	182	319	435	685	-36.5

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
Fourth Quarter 2011

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $100,000		$100,000 - $149,999		$150,000 - $199,999		$200,000 - $249,999		$250,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Charlottetown City													
Q4 2011	0	0.0	1	4.2	4	16.7	7	29.2	12	50.0	24	247,500	259,875
Q4 2010	0	0.0	1	3.4	7	24.1	14	48.3	7	24.1	29	225,000	230,190
Year-to-date 2011	0	0.0	2	3.4	10	16.9	24	40.7	23	39.0	59	245,000	255,422
Year-to-date 2010	0	0.0	8	9.8	28	34.1	26	31.7	20	24.4	82	205,000	220,262
Stratford Town													
Q4 2011	0	0.0	0	0.0	0	0.0	4	33.3	8	66.7	12	292,500	298,750
Q4 2010	0	0.0	3	14.3	3	14.3	5	23.8	10	47.6	21	235,000	250,238
Year-to-date 2011	0	0.0	1	1.9	11	20.4	11	20.4	31	57.4	54	270,000	273,294
Year-to-date 2010	0	0.0	3	5.1	9	15.3	16	27.1	31	52.5	59	250,000	262,600
Cornwall Town													
Q4 2011	0	0.0	0	0.0	0	0.0	2	28.6	5	71.4	7	--	--
Q4 2010	0	0.0	0	0.0	2	16.7	4	33.3	6	50.0	12	244,000	259,833
Year-to-date 2011	0	0.0	1	3.7	6	22.2	12	44.4	8	29.6	27	225,000	230,630
Year-to-date 2010	0	0.0	1	2.5	7	17.5	14	35.0	18	45.0	40	237,500	268,700
Remainder of the CA													
Q4 2011	2	9.5	6	28.6	5	23.8	6	28.6	2	9.5	21	180,000	188,238
Q4 2010	0	0.0	2	8.7	5	21.7	11	47.8	5	21.7	23	225,000	218,504
Year-to-date 2011	5	8.2	13	21.3	12	19.7	20	32.8	11	18.0	61	200,000	199,230
Year-to-date 2010	0	0.0	11	15.1	19	26.0	27	37.0	16	21.9	73	215,000	213,227
Charlottetown CA													
Q4 2011	2	3.1	7	10.9	9	14.1	19	29.7	27	42.2	64	240,000	245,375
Q4 2010	0	0.0	6	7.1	17	20.0	34	40.0	28	32.9	85	225,000	236,166
Year-to-date 2011	5	2.5	17	8.5	39	19.4	67	33.3	73	36.3	201	240,000	239,840
Year-to-date 2010	0	0.0	23	9.1	63	24.8	83	32.7	85	33.5	254	220,000	235,703

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*

Submarket	Fourth Quarter 2011			Fourth Quarter 2010			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	122	196,301	111	165	198,676	134	-26.1%	-1.2%	-17.2%
District 4	45	208,291	44	53	180,296	51	-15.1%	15.5%	-13.7%
District 5	32	178,808	24	35	166,511	30	-31.4%	7.4%	-20.0%
District 6	21	198,382	16	28	203,896	22	-25.0%	-2.7%	-27.3%
District 7	32	191,193	27	49	238,548	31	-34.7%	-19.9%	-12.9%
Summerside CA	64	130,523	55	47	130,308	51	36.2%	0.2%	7.8%
Total	186	173,668	166	212	183,519	185	-12.3%	-5.4%	-10.3%

Submarket	Year-to-date 2011			Year-to-date 2010			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	546	199,580	857	551	190,807	843	-0.9%	4.6%	1.7%
District 4	194	195,782	313	189	186,172	291	2.6%	5.2%	7.6%
District 5	112	168,864	171	118	157,445	167	-5.1%	7.3%	2.4%
District 6	94	202,710	154	88	187,906	149	6.8%	7.9%	3.4%
District 7	146	226,173	219	156	223,295	236	-6.4%	1.3%	-7.2%
Summerside CA	192	139,873	363	186	137,477	328	3.2%	1.7%	10.7%
Total	738	184,046	1220	737	177,348	1171	0.1%	3.8%	4.2%

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**District 4: Charlottetown City, Spring Park & West Royalty

**District 5: Sherwood, Parkdale, East Royalty & Hillsborough Parks

**District 6: Cornwall, North River & Winsloe

**District 7: Bunbury, Southport, Crossroads, Keppoch, Kinlock, Tea Hill, Alexandra to Cherry Valley

Source: PEI Real Estate Association

Table 6: Economic Indicators
Fourth Quarter 2011

		Interest Rates			NHPI, Total, Charlottetown CMA 2007=100	CPI, 2002 =100	Prince Edward Island Labour Market			
		P & I Per $100,000	Mortage Rates (%) 1 Yr. Term	Mortage Rates (%) 5 Yr. Term			Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings ($) (P.E.I.)
2010	January	610	3.60	5.49	101.9	118.3	71.0	9.9	67.7	
	February	604	3.60	5.39	101.4	118.4	71.8	10.1	68.6	658
	March	631	3.60	5.85	100.9	119.0	71.2	10.9	68.5	666
	April	655	3.80	6.25	100.6	118.8	71.8	9.3	68.0	674
	May	639	3.70	5.99	101.0	118.9	70.3	10.4	67.2	686
	June	633	3.60	5.89	100.7	118.9	70.3	12.1	68.4	686
	July	627	3.50	5.79	100.4	119.3	71.2	10.8	68.1	682
	August	604	3.30	5.39	100.4	119.4	71.2	11.3	68.5	682
	September	604	3.30	5.39	100.4	119.4	69.1	13.3	67.9	692
	October	598	3.20	5.29	100.4	120.1	69.9	12.7	68.2	705
	November	607	3.35	5.44	100.0	120.2	70.4	12.2	68.1	712
	December	592	3.35	5.19	100.0	119.5	69.9	12.0	67.3	710
2011	January	592	3.35	5.19	100.0	119.7	71	11.3	67.3	706
	February	607	3.50	5.44	101.5	120.6	70.5	11.5	67.3	699
	March	601	3.50	5.34	101.5	121.7	71.8	11.2	68.2	700
	April	621	3.70	5.69	101.7	122.7	71.5	11.3	67.8	706
	May	616	3.70	5.59	102.1	123.3	71.6	11.8	68.2	707
	June	604	3.50	5.39	102.1	122.7	71.9	12.2	68.7	703
	July	604	3.50	5.39	103.4	122.7	72.1	11.4	68.2	701
	August	604	3.50	5.39	103.4	123.2	72.2	11.4	68.1	704
	September	592	3.50	5.19	103.2	123.1	73.3	11.4	69.1	710
	October	598	3.50	5.29	103.5	123.3	71.9	11.2	67.7	715
	November	598	3.50	5.29	103.5	123.4	72.7	11.2	68.4	724
	December	598	3.50	5.29		122.7	73.4	11.2	69.1	734

"P & I" means Principal and Interest (assumes $100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2006 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2006 Census area definitions.

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